

insights

EXCLUSIVELY FOR PRIMERICA CLIENTS

Practice Money

Mindfulness

Did you know?

86% of small businesses in 2013 were started with personal savings.¹ You can start a Primerica business helping families with their finances for just \$99 up front, \$25/month.²



¹ "Where Do I Find the Money to Start a Business?", moneytalksnews.com, April 1, 2014 ² Plus applicable taxes

INSIDE

- How to be A Good Money Role Model
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Are you struggling to stay on budget every month?

You're not alone: 61% of adults don't keep track of their money, and 60% haven't checked their credit score in the last 12 months.* In addition, 65% have neglected their credit reports.* In an age of electronic everything, it's easy to lose track of the real value of money – and what you are doing with it. Try following these tips to become more money mindful.

1. Log your expenses every day. Instead of waiting until the end of the week or month to record expenses, try getting into the habit of recording them every day. Request a receipt when possible so you can go over the day's expenses easily. Or pay for all of your purchases with the same debit or credit card so you can easily see your spending habits. The goal? To become more aware of your daily spending habits so you see what's really happening with your money.

2. Share your financial goals. Awareness is the first step toward positive change. Sharing your goals with a trusted family member or friend can help you stay accountable.

3. Only spend what you can see. If you are having trouble staying on top of your money, try shopping with cash. When you spend with credit or debit regularly, it's easy to forget the real value of those dollars because you never actually see them. Instead, try spending only cash for a week or more so that you can be more aware of what's actually happening with your money.

4. Reward yourself without spending money. When you reach a goal, do you automatically spend money to "reward" yourself? Try thinking of ways to reward yourself that don't involve spending money. For example, spend an afternoon enjoying a free event, trying a new recipe, or reconnecting with a friend or loved one you haven't seen in a while. When you set goals and reach them, try starting new positive money habits.

*"61% of U.S. Adults Don't Keep Track of Their Money," Businessinsider.com, April 2, 2014.

How to Be a Good Money Role Model



How Long Is Too Long?

When it comes to adult children living at home, it seems both parents and Millennials agree on one thing: living at home for five years after college is too long.

“Boomerang Kids Study Among American Adults and Parents,” Coldwell Banker Real Estate, August 2013.

Wedding Budget Breakdown

Here’s where most couples spend their wedding funds.*

- **50%:** Reception
- **10%:** Attire
- **10%:** Photographer/Videographer
- **10%:** Flowers
- **10%:** Music
- **5%:** Ceremony (license/rings/officiant)
- **5%:** Unexpected Expenses



*Weddingchannel.com, viewed May 21, 2014

What are your money habits? Your kids are watching - so try to pass on good money attitudes.

- 1. Start now.** The sooner you can teach kids about money, the better. For example, let preschoolers play and touch money and learn the different denominations. Help your teen open a savings account.
- 2. Watch your words.** If you groan every time you take your wallet out or receive a bill, your children will learn to associate money with pain. If your attitude is “never enough” your children may absorb that as well. So instead of saying “we can’t afford it,” try “it’s not worth the cost.”
- 3. Teach your kids to take control.** From counting pennies in a piggy bank to teaching teens how to balance a checking account, letting your children take control of their finances in some way can raise their confidence about money. If they want something, try to help them figure out how to earn more money and save for it.

Tie the Knot for Less

Did you know that the average wedding costs about \$28,427?*

You don’t have to spend this much to have a beautiful day.

Here are some tips to save on your special day:

Figure out what’s most important to you. What is the most meaningful part of your big day to you and your betrothed? Pick one or two non-negotiable items and trim other areas to keep your day within budget.

Cut where you can. Do you really need save the date cards? A few ideas: skip printed programs, a champagne toast (guests can use whatever drink is in front of them), guest favors, and videographer. Save big on vendors and venue by holding your wedding on a Friday or Sunday vs. Saturday.

Trim the guest list. This is a tough one, but inviting only those you truly love is a huge step toward trimming your overall wedding cost.

*Theknot.com



Help for New Grads

Did you know that today's 25 to 29-year-old owes more than \$35,000 – and only 40% of that is made up of student loans?

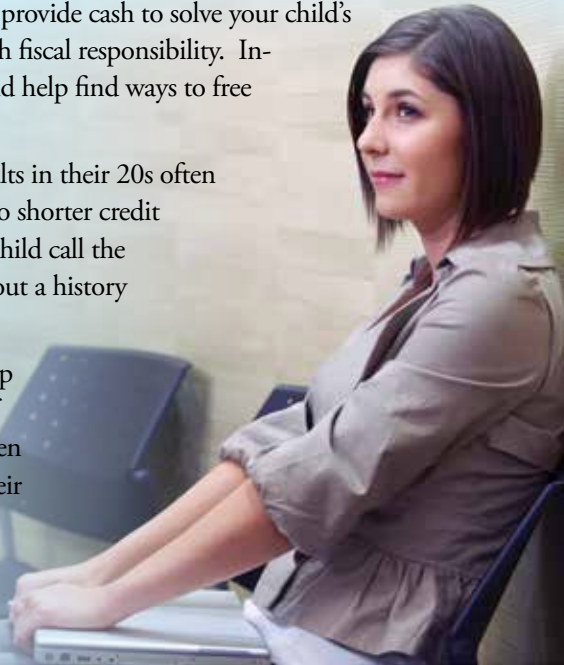
Between credit card balances, car loans and other debts, 78% of millennials with debt reported that they feel overextended.* Here are some tips to help new grads cope.

Offer advice, not cash. It's tempting to provide cash to solve your child's money problems, but a bailout does not teach fiscal responsibility. Instead, offer to review your child's expenses and help find ways to free up cash for debt payments.

Help them deal with the plastic. Adults in their 20s often pay higher credit card rates of 22%+ owing to shorter credit history and low credit score.* Suggest your child call the card issuer and ask for a lower rate pointing out a history of on-time payments (if true).

Offer help – with caution. Financial help between parents and children carries loads of emotions on both sides. Helping your children doesn't give you permission to interfere in their lives, and don't be surprised when they don't offer up the gratitude you'd expect.

*"Lighten Your Kid's Load," *Money*, May 2014



49%
People concerned about having
enough money to retire comfortably.

Money, May 2014

10%
People who say they contributed
more to their retirement
accounts in 2013 than in 2012.

Money, May 2014

Why You Want to Start Saving Now

Here is the difference between a person who starts saving at 25 and one who starts saving at 35.

Saver A puts \$200 per month into a retirement account with an estimated 9% rate of return starting at age 25. **Saver B** starts saving \$200 per month at age 35 – just 10 years later. Both continue to add \$200 each month until they retire at 65. By the time they are 65, Saver A has contributed \$96,000 and Saver B has contributed \$72,000.

Saver A put in only about 33% more money into her account than **Saver B** did, yet by the time they are both ready to retire, **Saver A** has more than twice as much money – \$943,286 vs. \$368,895.

That extra 10 years of compounding interest really makes a difference!

Saver A

\$943,286

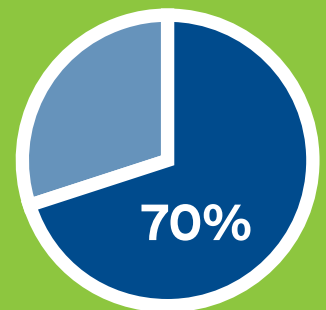
Saver B

\$368,895

This hypothetical assumes a constant nominal 9% rate of return compounded monthly, unlike actual investments, which will fluctuate in value, and does not include taxes or fees which would reduce returns.

Have You Reviewed Your Life Insurance?

A majority of U.S. households with children under 18 (70%) say they would have trouble meeting everyday living expenses within a few months if a primary wage earner were to die today. And four in 10 households with children under 18 say they would immediately have trouble meeting everyday living expenses.*



*LifeHealthPro.com, August 30, 2015

Habits of the Energy Efficient



Did you know?

The best move you can make to feel better about your finances is to build up your emergency fund. A new study found that having adequate money reserves is a better predictor of financial satisfaction than any other financial move you can make.

Money, April 2014

Does the cost of cooling your house have you down? Try these tips to become more energy-efficient.

- 1. Use the shades.** Close window treatments over sunny south and west-facing windows during the day. Blocking solar heat can net you a 3-5% savings.*
- 2. Open windows with caution.** Sometimes opening a window on a cool night can shave up to 3% off that month's bill.* But bring in too much humidity and your system will have to work hard to remove the moisture the following day, costing you even more. As a precaution, don't let outdoor air in unless the humidity drops below 60%.*
- 3. Let the air flow.** Open up doors and vents even in little-used rooms. Also, don't put furniture or other items in front of or on top of vents. Your savings: 10%.*

*"Three Habits of the Energy Efficient," *Money*, May 2014

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